

San Antonio Union School District

67550 Lockwood Jolon Rd.
P.O. Box 5000
Lockwood, CA 93932-5000

Administration
Susan L. Gerard
Superintendent/Principal

Office: (831) 385-3051
FAX: (831) 385-4240

Board of Trustees

Donna Booker
Ned T. Bowler
Michel L. Hardoy
Chris Heinsen
Anissa Schatz

School Operations Staff

Mary Hickerson
Office Clerk
Marcie Roth
Accounts Clerk

Carol Mahon
Confidential Office Specialist
Faye Wells
Confidential Secretary

April 30, 2001

Honorable Robert O'Farrell
Presiding Judge of the Superior Court—2001
Grand Jury—County of Monterey
Salinas, CA 93902

Dear Judge O'Farrell:

RE: RESPONSE TO THE 2000 MONTEREY COUNTY CIVIL GRAND JURY

I am writing in response to the Final Report of the 2000 Monterey County Civil Grand Jury, regarding the use of California State Lottery Funds in Monterey County.

As noted in the background section on page 23 the report, section 8880.5 of the California Government Code requires that each district and county superintendent of schools establish "a separate account for the receipt and expenditure of those moneys, which account for the receipt and expenditure of those moneys, which account shall be clearly identified as a lottery education account." Beyond stating that funds are to be used exclusively for education, the 1984 law only specifies that no moneys should be spent for acquisition of real property, construction of facilities, financing of research, or any other non-instructional purpose. The California Department of Education recommends that lottery funds be used for non-recurring rather than continuing expenses the final decision has been left to local administrators and elected school boards.

Proposition 20 (the Cardenas Textbook Act of 2000) passed on March 7, 2000, placed new restrictions on local school authorities. The Legislative Initiative Amendment to the California State Lottery Act requires that 50% of any increase in lottery education funds (above the 1997-98 level) be spent on instructional materials (textbooks and other reading materials, computer software, arts and crafts supplies and maps). The "base" lottery revenues and the other half of any growth moneys are still left to the discretion of local school authorities.

The report further states on page 24 of the report under Findings, #2, At the time of the Grand Jury's survey, there was no evidence that any lottery education revenues were being spent for prohibited purposes in Monterey County.

To comply with Penal Code Section 933.05, the official response to the recommendations on page 25 of the 2000 Monterey County Grand Jury is:

Recommendation # 1:

The County Superintendent and all Monterey County school district receiving revenue from the California Lottery verify that they have established and are maintaining separate accounts for the receipt and expenditure of these funds as required by Section 8880.5 of the California Government Code.

District's Response:

This recommendation has been implemented since 1984, and has been certified each year by our independent CPA audit.

Recommendation # 2:

The County Superintendent and all Monterey County school districts review their accounting practices to facilitate tracking and compliance with the new requirements of California's Cardenas Textbook Act of 2000, as defined in Section 8880.4 of the California Government Code.

District's Response:

This recommendation was implemented July 1, 2000, prior to the Grand Jury's Report. The Cardenas Textbook Act of March 2000 only requires that 50% of new lottery revenue to be used for textbooks, our district will be allocating the majority of the lottery funds for this year towards purchase of new mathematics textbooks. The District will be conducting a "in-house" curriculum audit to identify textbook needs and that the District has an on going plan to fully fund the state textbook adoptions as they occur.

If you have any questions, please feel free to contact me at (831)385-3051.

Sincerely,



Susan L. Gerard
Superintendent/Principal

C: Roy D. Lorenz, Foreman 2001
Dr. William D. Barr, County Superintendent of Schools
Board of Trustees, San Antonio USD